

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY APRIL 19, 2012**

Having been duly advertised in accordance with the Sunshine Act No. 84 of 1986, a regular meeting of the Public Parking Authority of Pittsburgh was held on April 19, 2012 at 10:08 a.m. 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Linda Judson, Gabe Mazefsky and Fauna Solomon. Christopher D'Addario participated via phone. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Judi DeVito, Jo-Ann Williams, Chris Holt, Bill Conner, Wes Pollard, Patricia Konesky, Philip Savino, Tom Urbano, Tom Vennero and David Burke. Also present were Jacqui Lazo of Buchanan Ingersoll & Rooney, Joe Smydo of the Pittsburgh Post Gazette, Justin Godderis of Digital Payment Technologies, Doug Lape of SCS, Mark Karolski of Buckhart Horn, Dennis Juran of Deloitte and Touche, Norman V. Edmunds of Pittsburgh Restoration, Jack Johnston of East End Cooperative Ministries and William Stewart of Strategic Communications.

MINUTES

Ms. Judson asked for approval of the minutes from the regular meeting held on March 30, 2012.

Upon motion by Ms. Mazefsky and seconded by Ms. Solomon, the minutes were approved as follows: Ms. Solomon, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Ms. Judson, yes.

PUBLIC COMMENT

Ms. Judson asked for public comments.

There were none.

RESOLUTIONS

**RESOLUTION NO. 11 OF APRIL 2012, "A RESOLUTION
ACKNOWLEDGING PARKING GARAGE ATTENDANT MR. DAVID R.
BURKE FOR HIS 7 ½ YEARS OF PROFESSIONAL AND EXEMPLARY
SERVICE IN HIS EMPLOYMENT WITH THE PARKING AUTHORITY**
was read by Ms. Solomon and considered by the Board.

Mr. Onorato introduced Mr. Burke who was in attendance and stated that Mr. Burke had applied for retirement effective April 30, 2012. Mr. Onorato stated that the Authority wanted to recognize him for his seven and one-half years of service to the Parking Authority. He explained that Mr. Burke worked for a private parking operator, under the Teamsters Local Union No. 926,

during its management of the Authority's Third Avenue Garage prior to the Authority bringing the management in-house. He presented Mr. Burke with a certificate and copy of today's Board resolution as a remembrance.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Mr. Mazefsky and seconded by Ms. Solomon, Resolution No. 11 of 2012 was approved as follows: Ms. Solomon, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Ms. Judson, yes.

RESOLUTION NO. 12 OF APRIL 2012, "A RESOLUTION AUTHORIZING THE OFFICIAL FORMATION OF THE AUDIT COMMITTEE, was read by Ms. Solomon and considered by the Board.

Mr. Onorato advised that in accordance with the Authority's By laws, committees have been formed for various projects and purposes, and said an Audit Committee was established to review the proposals received from firms applying to complete the audit. He stated that this year's firm was selected and a Review Committee has been formed, noting that we are asking the Board to ratify the committee and authorize it to review and approve the final audit. He explained that, because the audit is required to be delivered to the City by April 30th, a date prior to our next scheduled Board Meeting, the Audit Committee's actions will be on the agenda for ratification at the next meeting.

Mr. Mazefsky asked if the City simply reads the audit into the public record.

Mr. Onorato stated it becomes part of the City's audit as an official document.

Ms. Williams reported that sections of the PPAP audit are included in the City's audit.

Mr. Onorato then identified the members of the Audit Committee as Ms. Judson, Mr. D'Addario and Ms. Williams.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Ms. Mazefsky and seconded by Mr. Solomon, Resolution No. 12 of 2012 was approved as follows: Ms. Solomon, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Ms. Judson, yes.

RESOLUTION NO. 13 OF APRIL 2012, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND A CONTRACT WITH WALKER PARKING CONSULTANTS FOR THE ANALYSIS AND RECOMMENDATION OF A PARKING RATE STRUCTURE FOR THE AUTHORITY’S GARAGE FACILITIES, NEIGHBORHOOD PARKING LOTS AND ON-STREET PARKING METERS (COLLECTIVELY, THE “PARKING SYSTEM”), was read by Ms. Solomon and considered by the Board.

Mr. Onorato advised that at last month’s meeting the Board authorized him to enter into a contract on behalf of the Authority with Walker Parking for a rate analysis at a not-to-exceed price of \$24,000. He said that the authorizing resolution failed to include the contact’s reimbursable component. Mr. Onorato said the reimbursable amount is \$2,500 and said he is seeking authorization at this time to increase the total contract price to the resulting \$26,500. He noted that the combined total is still well below the second bid that was received for this project.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Mr. Mazefsky and seconded by Ms. Solomon, Resolution No 13 of 2012 was approved as follows: Ms. Solomon, yes; Mr. D’Addario, yes; Mr. Mazefsky, yes; Judson, yes.

RESOLUTION NO. 14 OF APRIL 2012, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE A SEVEN-YEAR CONTRACT WITH CALEB PARKING SYSTEMS USA, INC. FOR THE PURCHASE AND INSTALLATION OF NEW STATE-OF-THE ART METER TECHNOLOGY, was read by Ms. Solomon and considered by the Board.

Mr. Onorato advised the Board that the Authority solicited bids to replace approximately 3500 existing single-space parking meters with multi-space meters incorporating new echnology. He advised that the new multi-space meters selected will enhance the public’s convenience by accepting credit cards and utilizing pay-by-plate technology. Mr. Onorato noted that one of the main complaints regarding the existing multi-space meters is the need for customers to return to their vehicles after the parking purchase to display the receipt. He said the pay-by-plate technology will eliminate this step.

Mr. Onorato advised that eight proposals were received, with the lowest bid being \$5.267 million and the highest bid being \$9.325 million. He advised that these numbers were inclusive of capital costs and operating expenses for a seven-year period, and said the bid also permits that the Authority to purchase additional machines after the initial deployment, He explained that if subsequent purchases occur, they will be brought to the Board for approval.

Mr. Onorato advised that the Authority is recommending that the contract be awarded to

CALE, which submitted the second lowest proposal of \$6,806,880. He reported that a committee, which included two Board members, completed an analysis of each bidding firm in eight different categories, including qualifications, project description, value-added items, prior Authority experience, public awareness strategies, specifications, MBE/WBE participation and overall cost. Mr. Onorato advised that the CALE submission combined the most advanced product with the best terms, explaining that it included a \$187,000 value-added component by offering to replace the Authority's 60 existing multi-space pay-stations at a 50-percent reduction per unit.

Ms. Judson asked if Mr. Onorato was able to negotiate an actual 50-percent discount from the future purchase.

Mr. Onorato stated that in addition to the new units being purchased to replace the single-space meters, 60 will be purchased at the discounted rate so all of our multi-space meters will be identical.

Mr. Mazefsky asked if the current pay stations were in neighborhood lots, Market Square and Schenley Plaza.

Mr. Onorato confirmed that they were. He advised that the new machines, to be installed Downtown and in the Oakland and South Side neighborhoods, will control 3500 spaces, with the possibility of expanding their use to additional neighborhoods in the near future.

Mr. Mazefsky asked, with the initial deployment, the ballpark number of the actual machines for the 3500 spaces.

Mr. Onorato advised that the total it would be approximately 500 machines. He advised that CALE's history shows the firm has approximately 800,000 spaces controlled by multi-space meters, with major presence in Chicago and Indianapolis. He advised that these are multi-space meters but not pay-by-plate, and said there have been pilot programs of that type in the Washington D.C. and Miami areas but Pittsburgh would be the first city in the Country to implement a full program. Mr. Onorato also said that we will also have the capability to add a pay-by-phone payment option in the future, as the pay-by-plate hardware and software have this feature already in place. He distributed photos of a generic machine to show the Board its appearance and advised that the faceplate would be tailored to Pittsburgh's specifications.

Mr. Mazefsky asked if these photos would be available for release to the public.

Mr. Onorato advised that during the initial meetings with CALE, we would request photos of the multi-space machines with Pittsburgh Parking Authority information and we would make those available to the public.

Mr. Mazefsky asked for an installation timeline.

Mr. Onorato advised that if the contract is awarded today, we anticipate having an agreement signed by May 1, 2012. He said the signed contract would specify six weeks

for delivery and six weeks for installation. Mr. Onorato said approval of the resolution today would result in installation by the beginning of August, including the removal and installation of the existing 60 multi-space machines. He said this would also include the removal of posts and meter heads in the neighborhoods involved as well as the installation of the appropriate signage.

Ms. Judson asked if there was going to be any information provided to the public, advising them that this change will be occurring.

Mr. Onorato stated that part of CALE's proposal included a full-scale marketing strategy which would start about 60 days in advance of the installation, continue beyond that and include a customer satisfaction survey involving the public, merchants and the Parking Authority. He said the survey would be conducted one year after the initial installation and every year thereafter for up to seven years. He advised that the costs of these activities were included in their proposal and said that the Parking Authority is also exploring marketing options in addition to those developed by CALE.

Mr. Mazefsky asked for clarification that we will have one unified system deployed in these areas that will eliminate patrons returning to their vehicles to display a printed receipt, but will allow them to enter their license plate, make payment and continue on their way.

Mr. Onorato replied that this summary of the process is correct. He stated that this is state-of-the-art technology that is good for the Authority from a standpoint of operations and efficiency and also contribute to customers convenience. He said that in planning for this upgrade, we took into account the feedback from customers requesting that the process be made more convenient, including adapting it to accept a form of payment other than cash. Mr. Onorato stated that the return trip to the customer's vehicle was also addressed, adding that patrons will be able to obtain a receipt without the need to return to their vehicle to display it.

Mr. Mazefsky noted that many people put a lot of time and energy was put into this and said he wanted to express his view that the public is going to appreciate this.

Mr. Onorato stated that Authority personnel are very excited with the new technology and setting a trend with the on-street meters.

Ms. Solomon asked if the hours of enforcement would need to be changed with the installation of the new meters.

Mr. Onorato advised that City Council sets the rates and time limits for on-street parking enforcement and said the hours currently are set from 8:00 am to 6:00 p.m., Monday through Saturday. He said that coverage is scheduled to be increased until 10:00 p.m., effective January 1, 2013, adding that the Authority is prepared to enforce that change unless otherwise notified by City Council. Mr. Onorato added that off-street lot rates and enforcement hours are controlled by the Authority, and said they are currently enforced until 10:00 p.m., Monday through Saturday.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Mr. Mazefsky and seconded by Ms. Solomon, Resolution No 14 of 2012 was approved as follows: Ms. Solomon, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Judson, yes.

RESOLUTION NO. 15 OF APRIL 2012, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH TO NEGOTIATE AND EXECUTE AN AGREEMENT IN CONNECTION WITH THE PROPERTY OWNED BY THE EAST END COOPERATIVE MINISTRY LOCATED IN EAST LIBERTY, was read by Ms. Solomon and considered by the Board.

Mr. Onorato reminded the Board that the Station/Collins lot was sold to the East End Cooperative Ministry for the development of its project. He said the closing has already occurred and said EECM is continuing with the process of site development. Mr. Onorato advised that the Authority was contacted by the group asking that some terminology be changed in the original agreement. He advised that their request was reviewed by our legal counsel and we are therefore recommending amending their contract.

Ms. Lazo reported that this is a lender issue, explaining that in order for EECM to build this project using the tax credits, they would need to take a mortgage on the property they processed through PNC. She said there were covenants in the deed that if the construction, specifically the shell, was not completed by September of 2012, the Authority had the right-of-reverter to take the property back. Ms. Lazo advised that there is also a covenant in the agreement that states that there will be sufficient parking on the property for that development, so that the development will not be utilizing public parking. Ms. Lazo stated that the Authority has been asked to extend the construction deadline, which she stated is not a problem. She stated that the Authority was also asked to subrogate and waive the covenants and advised that Buchanan Ingersoll & Rooney is currently in conversation with EECM regarding this request because we would certainly like to preserve the covenant regarding public parking. Ms. Lazo explained that in the event that PNC should ever have to take over this project, which we hope would not occur, the future buyer would honor that covenant. She advised that nothing has been finalized and said we are currently working with them, as we are supportive of the project and would like to see it succeed.

Mr. Mazefsky asked if the Ministry is fully supportive of this effort.

Ms. Lazo stated that they were, and mentioned that Mr. Johnson of EECM was in attendance today. She asked him if he wanted to address Mr. Mazefsky's question.

Mr. Johnson stated that they have been planning this project for seven years, are within a week of closing, with construction scheduled to start within two weeks. He said EECM has spent years raising funds and said all of the \$15 million will go into the bank at closing so that the money is there to ensure the completion of the project. He stated that roughly \$5 million of the total was raised through tax credits, but said the lenders look with caution at the reversionary right that the Authority holds. Mr. Johnson stated that he totally respects the Authority's

interests and understands that this was agreed upon in the beginning, but he said he feels that Ms. Lazo is correct in that this is just a paperwork change that does not diminish the Authority's position.

Ms. Lazo stated that this is a great project that has been before the Board on numerous occasions. She said that while we are supportive, she agreed that lenders don't like anything that encumbers their title. She stated that we are trying to work out a reasonable agreement, but said that we wanted to get the Board's approval to finish those negotiations and complete the appropriate paperwork so that the EECM closing is not delayed.

Mr. Onorato advised that we will update the Board on that process upon its completion.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Mr. Mazefsky and seconded by Ms. Solomon, Resolution No 15 of 2012 was approved as follows: Ms. Solomon, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Judson, yes.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato stated that the Board recently approved an upgrade of the revenue control equipment at our First Avenue Garage enabling pre-pay parking on days there are special events such as Pirates and Steelers games. Mr. Onorato stated we are being proactive in anticipation of increased parking at this facility due to the recent extension of the Port Authority T service to the North Shore. He advised that the Authority averaged approximately 43 additional vehicles for the first three Pirates games this season and reported that we will increase marketing of Sunday parking at First Avenue by encouraging customers to pay the \$5.00 flat rate and take the free "T" ride to the North Shore.

Mr. Onorato advised that the Ft. Duquesne and Sixth Garage was at its 920-vehicle capacity the day of the Pirates' home opener and stated that once Ft. Duquesne Blvd. was reversed with the help of the police, we were able have the vehicles exit the garage within 10 minutes time. He said that we view that timeframe as very efficient.

Mr. Onorato advised that Authority staff will be meeting again with Bethany Tucke of the Pittsburgh Downtown Partnership in regards to their Project Pop-up and the use of Third Avenue Garage for bicycle parking. He said we will improve the bicycle parking area in the garage for public and private bicycle use. He said this project will be paid for mostly by grants through the PDP with minimal cost to the Authority.

Mr. Onorato reported that the Easement Agreement with the Pennsylvania Department of Transportation is in place for our Second Avenue Lot wherein Penn Dot will be doing bridge inspections that require reserving and blocking off parking spaces directly under the bridge.

Mr. Onorato stated that the Authority also accommodated the City's request again for parking at a discounted monthly rate of \$30.00 for approximately 50 city employees who are being displaced for construction needs.

Mr. Onorato updated the Board that both the AFSCME and Teamsters contracts with the Authority will be expiring in September and said the Authority is in the process of contacting the unions to begin negotiations.

Mr. Onorato advised that the City of Pittsburgh's MBE report has been released and shared a copy of the report with Board. He advised that the Parking Authority is well in excess of our 25-percent WBE participation goal and said that we are slightly short of this participation goal on the MBE. He said that we are well in excess of the overall combined goal and therefore described the Authority's participation level as very encouraging.

Mr. Onorato advised that East Liberty Development Corporation has submitted a proposal for a pilot program in two of our lots for a two-to-three month period where we would reduce both our hourly rates and parking time limits. He said we would then do comparisons with previous utilization levels to see if there is an increase in usage. He said the proposal guarantees the Authority payment for any lost revenue occurred during the pilot period if it should occur. Mr. Onorato advised that he is currently reviewing the proposal and will submit a recommendation to the Board if he feels we should pursue it. He said the start of the proposed program is June 1, 2012.

Mr. Onorato noted that there is a 29-percent increase in year-to-year revenue at the Mon Wharf in this month's report that is due to the flooding that closed the facility for 40 full and 10 partial days in 2011.

Mr. Onorato also made note that the collection's report indicated a 50-percent increase, which was partly due to the rate increases and the extended enforcement hours enacted by City Council

Mr. Onorato noted that the Parking Fines decrease was due to Citation Management actively pursuing delinquent accounts from 2005 to 2010 during the 2011 calendar year, which resulted in a large amount of backlog fines being paid. He also stated 2011 showed an increase in payments due to the addition of credit bureau reporting of outstanding debt.

Mr. Onorato advised that both monthly and quarterly reports are attached and asked if there were any questions.

There were none.

OLD/NEW BUSINESS

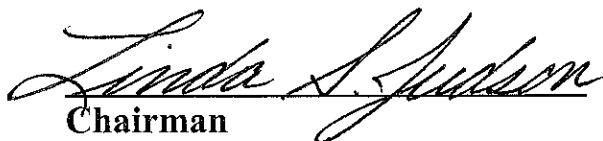
Ms. Judson asked if there were any questions.

There were none.

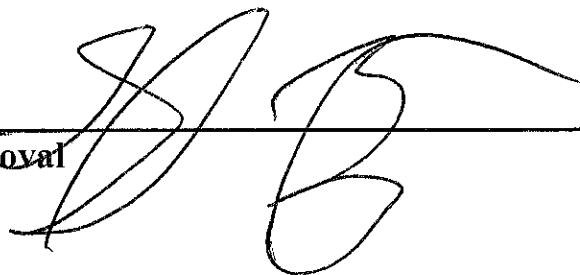
The next Board meeting is scheduled for Thursday, May 17, 2012 at 10:00 a.m.

Upon motion by Mr. Mazefsky and seconded by Ms Solomon the meeting was adjourned at 10:36 a.m.

APPROVED TO CONTENT


Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES


Approval